New York State Department of Environmental Conservation Division of Mineral Resources - Room 202 50 Wolf Road, Albany, New York 12233-6500 Telephone: (518) 457-0100



Thomas C. Jorling Commissioner

May 6, 1993

Mr. Michael J. Schumacher Minerals Development Engineer Akzo Salt Inc. P.O. Box 352 Clarks Summit, PA 18411-0352

Dear Mr. Schumacher:

This is in response to your correspondence of April 21, 1993 in which you addressed our questions and concerns relating to the proposed oil padding of well No. 58 (31-097-21467) at Akzo's Watkins Glen solution salt mining facility. Suitable clarification and stated proposed operating safeguards and practices are given for all items except number 3 which refers to the proposed oil injection pressure and prior internal pressure testing of the 95% casing.

As per our telephone conversations of April 28 and May 5, 1993, Akzo is requested to perform an internal pressure test of the 95%" casing prior to injecting oil. The 95%" casing shall be tested to a minimum internal surface pressure of 468 psig (425 psig plus 10% safety factor) for one hour with less than a five percent pressure loss. At no time during the 95%" casing test shall the downhole pressure exceed the fracture pressure of the salt formations or the confining zones. The pressure test shall be witnessed by a Department well inspector. Please notify Mr. Randy Nemecek (716-226-2466) of the Avon office 48 hours prior to conducting the test and upon completion of the secondary containment structure.

Division of Mineral Resources approval to proceed with oil padding operations at well No. 58 is granted subject to the following conditions.

- Department inspection of the secondary containment structure upon its completion;
- 2. Department witnessing of the 95%" casing pressure test prior to oil injection;
- 3. Adherence to all other previously stated conditions and operating safeguards including those detailed in the Spill Prevention, Control and Countermeasure Plan (SPCC); and
- USEPA approval to inject oil into well No. 58.

Please call me if you have any questions regarding this approval.

Sincerely,

PETERS. BRIGGS

Peter S. Briggs Mineral Resources Specialist II

c: Dermott Courtney, (USEPA)
Paul Kolakowski, (DOW, C.O.)
Frank Ricotta (DOW, Reg. 8)
Randy Nemecek
Brad Field